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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 02/08/07

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ARTICLES:

(1) Poll on Abe cabinet, political parties, Yanagisawa's gaffe, Kyuma's criticism of US Iraq policy

TOKYO SHIMBUN (Page 2) (Full)
February 5, 2007

Questions & Answers

(Figures shown in %age. Parentheses denote the results of the last survey conducted Jan. 12-13.)

Q: Do you support the Abe cabinet?

| | | |
|------------------------------------|------|--------|
| Yes | 40.3 | (45.0) |
| No | 44.1 | (38.9) |
| Don't know (D/K) + no answer (N/A) | 15.6 | (16.1) |

Q: (Only for those who answered "yes" to the previous question)
What's the primary reason for your approval of the Abe cabinet? Pick only one from among those listed below.

| | | |
|--|------|--------|
| The prime minister is trustworthy | 25.1 | (28.2) |
| Because it's a coalition cabinet of the Liberal Democratic Party and the New Komeito | 5.6 | (5.4) |
| The prime minister has leadership ability | 2.1 | (2.0) |
| Something can be expected of its economic policies | 2.4 | (5.0) |
| Something can be expected of its foreign policies | | |

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| | | |
|--|------|--------|
| Something can be expected of its political reforms | 15.5 | (10.6) |
| Something can be expected of its tax reforms | 5.1 | (4.6) |
| Something can be expected of its administrative reforms | 2.0 | (2.8) |
| There's no other appropriate person (for prime minister) | 4.3 | (5.1) |
| Other answers (O/A) | 33.3 | (33.6) |
| D/K+N/A | 4.0 | (0.8) |
| | 0.6 | (1.9) |

Q: (Only for those who answered "no" to the first question) What's the primary reason for your disapproval of the Abe cabinet? Pick only one from among those listed below.

| | | |
|--|------|--------|
| The prime minister is untrustworthy | 9.8 | (10.7) |
| Because it's a coalition cabinet of the Liberal Democratic Party and the New Komeito | 5.5 | (7.9) |
| The prime minister lacks leadership ability | 30.4 | (21.9) |
| Nothing can be expected of its economic policies | 14.5 | (17.9) |
| Nothing can be expected of its foreign policies | 1.7 | (2.8) |
| Nothing can be expected of its political reforms | 10.7 | (10.3) |
| Nothing can be expected of its tax reforms | 4.5 | (12.2) |
| Nothing can be expected of its administrative reforms | 10.3 | (3.4) |
| Don't like the prime minister's personal character | 8.0 | (5.7) |
| O/A | 4.2 | (1.5) |
| D/K+N/A | 0.4 | (5.7) |

Q: Welfare and Labor Minister Yanagisawa's recent gaffe, in which he called women "baby-making machines," is creating a stir in and outside the Diet. Do you think he should resign to take responsibility?

| | |
|-----------------|------|
| Yes | 58.7 |
| No | 20.2 |
| Can't say which | 20.8 |
| D/K+N/A | 0.3 |

Q: In addition to Welfare and Labor Minister Yanagisawa's gaffe, Defense Minister Fumio Kyuma criticized the United States. Do you think Prime Minister Shinzo Abe has appropriately dealt with these controversial remarks made by his cabinet ministers?

| | |
|---------|------|
| Yes | 16.5 |
| No | 74.7 |
| D/K+N/A | 8.8 |

Q: It has been over four months since the Abe cabinet started. What do you think about Prime Minister Abe's leadership?

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| | | |
|--------------------------------|------|--------|
| Up to expectations | 16.2 | (21.1) |
| Beyond expected | 2.0 | (1.2) |
| Short of expectations | 42.8 | (39.5) |
| No expectations from the start | 34.5 | (32.5) |
| D/K+N/A | 4.5 | (5.7) |

Q: Do you trust politics now?

| | |
|-------------------------|------|
| Yes | 4.5 |
| Yes to a certain extent | 29.0 |
| Not very much | 42.5 |
| No | 23.3 |
| D/K+N/A | 0.7 |

Q: Would you like the LDP-led coalition government to continue, or would you otherwise like it to be replaced with a DPJ-led coalition government?

| | | |
|------------------------------|------|--------|
| LDP-led coalition government | 43.0 | (47.8) |
| DPJ-led coalition government | 33.5 | (31.7) |
| D/K+N/A | 23.5 | (20.5) |

Q: Which political party do you support?

| | | |
|---|------|--------|
| Liberal Democratic Party (LDP) | 35.1 | (41.9) |
| Democratic Party of Japan (DPJ or Minshuto) | 15.4 | (15.4) |
| New Komeito (NK) | 2.9 | (4.4) |
| Japan Communist Party (JCP) | 2.6 | (3.9) |
| Social Democratic Party (SDP or Shaminto) | 2.0 | (1.9) |
| People's New Party (PNP or Kokumin Shinto) | 0.5 | (0.3) |
| New Party Nippon (NPN or Shinto Nippon) | 0.1 | (---) |
| Other political parties, groups | --- | (---) |
| None | 39.8 | (30.3) |
| D/K+N/A | 1.6 | (1.9) |

Polling methodology: The survey was conducted Feb. 3-4 by Kyodo News Service on a computer-aided random digit dialing (RDD) basis. Among randomly generated telephone numbers, those actually for household use with one or more eligible voters totaled 1,486. Answers were obtained from 1,053 persons.

(2) LDP to strengthen measures to win "floating voters" based on uphill battle in Aichi gubernatorial race

NIHON KEIZAI (Page 2) (Full)
February 8, 2008

With an eye on the April unified local elections and the July House of Councillors election, the ruling Liberal Democratic Party (LDP) has launched a review of its election strategy. Based on the results of the Aichi gubernatorial race and other local elections, the LDP has determined that it needs to strengthen measures to capture

unaffiliated voters. It will look into issues of individual electoral districts of the House of Representatives and focus on those districts.

The candidate backed by the ruling parties narrowly won the Aichi gubernatorial election on Feb. 4, which was held after the LDP was shocked by the victory of Hideo Higashikokubaru in the Miyazaki gubernatorial race, who won without support from any major political parties. The ruling-coalition-backed candidate was faced a battle that was tougher than the controversial remarks by Health, Labor and

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Welfare Minister Hakuo Yanagisawa would have suggested. And the ruling coalition backed candidate was defeated (by a candidate supported by opposition parties) in the Feb. 4 Kitakyushu mayoral election.

LDP Secretary General Hidenao Nakagawa called seven Lower House members, including Asahiko Mihara and Yosuke Shibata, whose constituencies are in Kitakyushu City and Aichi Prefecture, respectively, into his office in LDP headquarters. The number of votes obtained by the ruling coalition's candidates in the constituencies of the seven lawmakers were less than that secured by the opposition backed candidates.

Nakagawa gave a pep talk to them: "Thinking of the unified local elections and the Upper House election as your own, I want you to do your best." He took the unusual move of demanding that they look into what went wrong in their districts. He told the young lawmakers: "I want you to try to find ways to capture nonaligned voters."

The LDP has determined that the reason behind the uphill battle in the Aichi race was that many unaffiliated voters distanced themselves from the party. Nakagawa and LDP Upper House Caucus Chairman Mikio Aoki on Feb. 5 came up with a strategy of securing "floating voters" and confirmed a policy to dig up votes.

Regarding a strategy for the unified local elections, the party's Election Strategy Headquarters Chief Yoshio Yatsu said: "It is better for us not to bring polarizing national issues into the local elections." The LDP has changed its existing policy and adopted one of downplaying the confrontation between the ruling and opposition camps as much as possible. Regarding the upcoming Kanagawa gubernatorial election, the LDP plans not to give party headquarters' endorsement to Tadashi Sugino, who has been recommended by the LDP Kanagawa prefectural chapter and is running against incumbent Kanagawa Governor Shigefumi Matsuzawa, a former Lower House member belonging to Minshuto (Democratic Party of Japan).

Schedule of upcoming major elections

Mar. 22

Starting date of official campaign for 13 gubernatorial elections - Hokkaido, Iwate, Tokyo, Kanagawa, Fukui, Mie, Nara, Tottori, Shimane, Tokushima, Fukuoka, Saga, and Oita.

April 5

Starting date of official campaign for Upper House by-elections for Fukushima and Okinawa.

April 8

Voting day for the first half of unified local elections (including 13 gubernatorial races).

April 22

Voting day for the second half of unified local elections and for Upper House by-elections for Fukushima and Okinawa.

July 5

(Scheduled) announcement of campaign for Upper House election

July 22

(Scheduled) voting day for Upper House election

(3) Editorial: Don't easily make compromise for sake of success in six-party talks

February 8, 2007

The six-party talks on North Korea's nuclear ambitions will resume in Beijing on Feb. 8. Since it has been reported that the United States and North Korea were able to produce a certain level of achievements in their preliminary talks in January, expectations have been growing high for the coming six-party talks.

The other five nations must not make easy compromises with the North in order to hastily bring about success only for form's sake. In such a case, the result will only be allowing North Korea to buy time to further develop nuclear weapons, eventually raising the nuclear risk.

It is imperative for Japan to persist with the stance of neither offering financial support nor lifting its sanctions unless progress is made on the abduction issue. Kidnapping citizens in another country is a grave problem that the government cannot compromise on. If the government makes a compromise, it will inevitably lose public confidence.

In the coming talks, the five countries reportedly aim to take "measures at the first stage" toward the North's nuclear dismantlement and later to phase in more measures. This idea is somewhat odd.

A joint statement in September 2005 stipulated "the Korean Peninsula should be free of nuclear arms in a verifiable way," and "North Korea has promised to dismantle its nuclear weapons and nuclear development programs."

In exchange for Pyongyang's dismantlement of its nuclear program, the statement also noted that the United States would not launch a military attack on the North and that the five members of the six-party talks would promote economic cooperation to the North in the energy, trade, and investment areas.

North Korea, however, easily broke the promise one year later. Last October, it carried out its first nuclear test. Calling itself a "nuclear power," the North has loudly called for greater compensation.

The North did not observe the statement adopted in the six-party talks, so it might be meaningless to continue the talks.

North Korea reportedly has demanded more than 500,000 tons of heavy oil and the construction of light-water reactors. These demands are similar to those made in the 1994 Agreed Framework between the US and North Korea.

The Agreed Framework was canceled in the fall 2002 as North Korea was found to have developed uranium-based nuclear weapons. We must not make the same failure. In order to solicit a substantive agreement with North Korea, it is necessary to prepare a mechanism to guarantee an agreement.

As long as North Korea intends to possess nuclear weapons, it might be necessary for the five nations to study the possibility of discontinuing the six-party talks or referring the issue to the UN Security Council.

(4) Uruma City assembly resolves to protest against F-22 deployment

URUMA, Okinawa-Uruma City's assembly, in its ad hoc sitting yesterday, adopted a resolution and a statement unanimously, protesting against the temporary deployment of F-22A Raptor jets, which are state-of-the-art stealth fighters, to Kadena Air Base and against the takeoffs of F-15 fighters from the base during early

hours in early January.

In addition, the city assembly unanimously adopted another set of a resolution and a statement to protest against US military paradrop training conducted in a zone of training waters near Tsukenjima Island on Jan. 16, another US military parachute drill carried out at Kadena Air Base on Jan. 26, and the US military's dumping of ammunition and the like at Fukuji Dam and Arakawa Dam.

The protest resolutions will be addressed to the US ambassador to Japan, the US Forces Japan commander, and others, and the statements to the prime minister, defense minister, and others.

(5) Advisory panel suggests Japanese-version NSC draw up annual foreign and security policy guidelines

NIHON KEIZAI (Page 2) (Full)
February 8, 2007

The Conference on Strengthening the Kantei's Functions Related to Security, a government advisory panel chaired by Prime Minister Shinzo Abe, has decided to incorporate in its final report due out this month a proposal suggesting that the planned national security council (Japanese-version NSC) should draw up annual foreign and security policy guidelines. This suggestion stems from a desire to demonstrate the nation's medium- to long-term basic strategy at home and abroad. The prime minister and other key members will meet regularly. With this, a close liaison system will be set up for dealing with diplomatic and security issues.

The proposed policy guidelines will specify the role of the Japan-US alliance in coping with the international situation and measures to build peace, including those to promote nuclear nonproliferation. By transmitting its basic policy stance to the rest of the world, the government aims to strengthen ties with other countries. Draft guidelines that will be worked out in accordance with the prime minister's policy speech under the lead of the NSC executive office will first be approved in its meeting and then adopted in a cabinet meeting.

NSC key members will meet about twice a month in principle on a regular basis. Since it will make it possible for the prime minister to call a meeting based on his judgment, it will become possible to swiftly take measures even in times of emergency. In regular meetings, wide-ranging themes will be discussed, including energy, climate change, bird flu, and national security issues.

The advisory panel has decided to reorganize the Security Council of Japan into the Japanese version of the NSC. It is also close to agreement on (1) designating the prime minister, the chief cabinet secretary, the foreign minister, the defense minister, and the

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special advisor to the prime minister for national security as NSC members; (2) allowing other cabinet ministers to join if the prime minister gives approval; and (3) letting the eight cabinet ministers who are members of the current security body join NSC meeting when

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the themes addressed in the body are discussed.

The advisory panel plans for the executive office to have 10 to 20 members, including some from the private sector, and to take the lead in policy planning. The panel aims to finalize a draft of the final report in a meeting today and release the final report on Feb. 127.

Following the announcement of the report, the government expects to submit related bills, including a bill amending the NSC Establishment Law, to the Diet by mid-March.

The current security panel, which has the prime minister and eight cabinet ministers as regular members, specifies nine items, including a basic national defense policy and the Defense Program Outline, as topics for deliberations. The panel calls meetings on an irregular basis to discuss these issues. But coordination on such

agenda items is made in prior negotiations. Given this, some have pointed out that the panel has become an empty shell.

(6) Bombing in Baghdad occurs in absence of Shiite militia; Sectarian strife may further intensify

ASAHI (Page 4) (Almost full)
February 5, 2007

Hajime Yoshioka, Cairo

"We must defend ourselves," said Shiite citizens standing near the scene of a bomb attack that occurred in Baghdad on Feb. 3, erupting with anger. The deadliest terrorism killed 135 persons in a single attack, the largest since the opening of the Iraq war. Sunnis attacked Shiites, taking advantage of the absence of the Shiite Mahdi Army as a result of its stopping its activities under pressure from US forces, which are redeploying to Baghdad. If US troops fail to put a halt to terrorist acts, the Mahdi Army will again take charge of maintaining security, making it more likely that the sectarian strife will intensify even further.

The target of the attack this time was a busy market in Baghdad, where people can buy vegetables, eggs, and meat cheap. Sunni shoppers were seen in the market until last summer, but the market is now visited only by Shiites because of the intensified sectarian conflict.

This same market was also bombed last Dec. 12, which killed 54 persons and injured over 100. In order to restore security, the Mahdi Army set up four checkpoints on highways leading to the market. It banned access to the market by large trucks and doubled its efforts to monitor suspicious individuals. No terrorism had occurred until that day. According to a 32-year-old Mahdi Army member whom the Asahi Shimbun interviewed on Feb. 4, the Mahdi Army Headquarters instructed its members in mid-January to remove the checkpoints, citing the possibility that the Mahdi Army might be attacked by US troops, who were being deployed again to Baghdad.

Deeming the Mahdi Army a threat exceeding that of Al Qaeda, US forces announced that they would go forward with a full-fledged cleanup operation. In fact, they have held 600 Mahdi militiamen and senior Mahdi officers in custody. The Mahdi Army's leader, cleric al-Sadr, instructed his militiamen not to carry weapons and ordered other leading members to flee the country.

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After the removal of the checkpoints, no measures other than patrolling by Iraqi security forces had been taken by the Iraqi government and US troops. Mahdi militiamen, while continuing monitoring activities in the market, were worried that an act of terror might occur, given large trucks' free access to the market. In the Shiite district after the Mahdi Army left, armed Sunni forces have repeatedly conducted bombings. According to Reuters, 70 persons were killed in one bomb attack on Jan. 16, 88 persons in another on Jan. 22, and 61 in another on Feb. 1.

The Mahdi Army member said, "We have the right to defend our families and towns. Neither US troops nor the Iraqi government has the capability or will to do so. We can't wait any longer." A senior Mahdi Army officer, 30, also commented: "We are waiting for Grand Ayatollah al-Sadr to give us orders."

(7) US President Bush assuming low profile after dispatch of additional troops to Iraq

ASAHI (Page 4) (Full)
February 5, 2007

Yoshiyuki Komurata, Washington

US President George W. Bush on Feb. 3 attended the House Democratic Caucus Issues Conference in Williamsburg and sought understanding for his dispatch of additional troops to Iraq.

Being aware that the battle in Congress is intensifying over his Iraq policy, Bush sought cooperation in a more humble manner than ever in the meeting. Democrats, however, are unlikely to stop raising objections.

Bush remained provocative until the midterm election last fall, criticizing the Democratic Party's Iraq policy as "something like a dog sneaking away with its tail between its legs." But that day, Bush was different. He asked for cooperation: "Even in wartime, I welcome debate. Even though you may happen not to agree with me, both of us are patriotic."

Speaking before House Speaker Nancy Pelosi and other Democrats, Bush highlighted points of agreement with the speaker, noting: "The Iraqi government needs to show its leadership."

(8) Potential uses of base land after reversion in Okinawa's central, southern parts (Part 3): Futenma site utilization plan; Process lacks reality; Young successors to landowners relate dreams on Futenma airfield

RYUKYU SHIMPO (Page 2) (Full)
February 2, 2007

US military transport planes are buzzing with heavy sounds in their approach to Futenma airfield, or the US Marine Corps' Futenma Air Station. Right under their approach path from the airfield's southern end is a populated area stretching across a small hill. On the hilltop is the residence of Kevin Maher, US consul general in Okinawa.

Maher said: "Helicopters are flying right over my house, too. I know well about the concerns of local residents." He then underscored the advantages of realigning US forces in Japan, maintaining that the US military's realignment will work in the interests of people in

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Okinawa as well. However, he reiterated that the United States could not close down or return Futenma airfield until an alternative facility is completed.

Ginowan City and Okinawa Prefecture are now working together to create an "action program," which will show a phased schedule to create a land utilization plan for the site of Futenma airfield. On Jan. 25, Okinawa Prefecture and Ginowan City held a second meeting of their study committee, in which they confirmed the process of working out the land utilization plan at least three or four years before the year Futenma airfield will be returned.

According to an intergovernmental agreement on the US military's realignment, a replacement for Futenma airfield will be completed by 2014, and Futenma airfield's functions will be secured at the alternative facility. After that, Futenma airfield will be closed down and returned. Calculating back from that year, Okinawa Prefecture and Ginowan City will have to work out their land utilization plan by 2010. To do so, their authorities need to enter the base for an environment assessment. However, that is still infeasible.

The study committee explained the process of utilizing the site of Futenma airfield after its return into local hands. However, the committee's explanation is still unconvincing. "I couldn't see it clearly," said Seizen Hanashiro, chairman of the Ginowan City Military Landowners' Association.

Osamu Yamakawa, deputy chief of headquarters for military base land utilization at the Okinawa prefectural government office, is in charge of planning base land reutilization. In his impression, however, it is "unclear" when Futenma will be returned.

It has been more than 10 years since the Japan-US Special Action Committee on Facilities and Areas in Okinawa (SACO) agreed to return Futenma airfield. Japan and the United States have now agreed to relocate Futenma airfield to another site in the process of realigning US forces in Japan. However, Okinawa Gov. Hirokazu Nakaima is opposed to the government's current relocation plan. The

issue of relocating Futenma airfield has seen little progress in the past rounds of consultations between Tokyo and Okinawa. What lies ahead for Futenma airfield's return? That is still murky.

"What's the concept for this large-scale park?" "How about the image of water with the underground limestone cave?" In December last year, a number of local residents gathered after work and began brainstorming in their periodic meeting. They are members of a group of young people thinking about how to reuse the site of Futenma airfield after it is returned and vacated.

The group, led by Masahiko Okawa, started in 2003 as a gathering of Futenma airfield landowners' children and grandchildren. They meet once every month to discuss urban planning for the site of Futenma airfield after its return. The group has so far set forth opinions in two reports. Last year, its members visited base-hosting localities in mainland prefectures.

The average age of landowners is over 60. With their aging, the next generation, including their young successors, will be entrusted with the actual uses of their landed properties on Futenma airfield after its return. "I don't know yet when Futenma will come back," Okawa said. "But," he added, "we want to prepare ourselves now so we don't have to be confused when the site is really back into our hands."

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Envisioning the future return of Futenma airfield, Okawa and his group are working for their dreams on the site of Futenma airfield that is as large as 480 hectares.

(9) Economic forecast: How government officials map out projections (part 1): Second-ranked in terms of accuracy rate, but only temporarily?

NIHON KEIZAI (Page 5) (Full)
February 8, 2007

When the government or the Bank of Japan (BOJ) maps out economic policies, they do so based on public projections of future economic trends, population and so on. Their projections are highly important. And yet it is difficult for outsiders to see how government offices or the BOJ actually compile economic projections. This newspaper looked into how they make economic forecasts.

One public economic forecast has a high degree of accuracy, with its accuracy rate coming second, even including 18 private research organs.

That forecast is unexpectedly the government's economic forecast for the coming year, which it releases every December. According to a survey by the Nikkei Research Center of the average degree of accuracy of forecasts for real growth for fiscal 2000 through fiscal 2004, the government forecasts came second among 18 research organs.

The Cabinet Office is responsible for compiling this government outlook, taking views of various government agencies into consideration. It releases forecasts for a real growth rate, prices and the unemployment rate. These are key figures in forecasting tax revenues for the next year.

Lower-ranked in 1990s

Asked about the high degree of accuracy, one senior Cabinet Office official said: "We do not have any know-how to raise the degree of accuracy. All we do is to elaborately analyze various statistics and make forecasts." An expert in the private sector said: "We must not take the real potential of economists belonging to government agencies lightly."

One Cabinet Office official said, "To be honest, the accuracy rate of government forecasts was low up until the second half of the 1990s." According to the Nikkei Center, the government's economic forecasts for fiscal 1982 through fiscal 1989 ranked ninth among 18 institutions. In the 1990s, the degree of accuracy of the government's forecast slipped close to the bottom of 17

institutions. That was because the government's economic forecasts of those days had a strong nature of being a target for the management of economic policy. The government's forecasts at the time were often far removed from projections made by the private sector with calculations of various government agencies, including the Ministry of International Trade and Industry (now the Ministry of Economy, Trade and Industry), which insisted on setting high growth rates as a target, intertwined in a complicated way.

Taichi Sakaiya (71), who served as director general of the economic planning agency (now the Cabinet Office) from 1998 through 2000, drastically changed the method of compiling forecasts. Deeply dissatisfied with the way government forecasts were mapped out, he

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right after assuming the post ordered working-level officials to correctly make forecasts instead of giving a false impression to the public by setting an elevated target. The accuracy rate of the government's forecasts ended up second as a result of excluding as much as possible their nature of being a policy target.

Rising-tide policy affecting forecasts

However, the government's forecasts are showing signs of going back to the old days of being a policy target due to the Abe administration's rising-tide policy of aiming at achieving high growth.

State Minister for Economic and Fiscal Policy Hiroko Ota (53) led the drafting of the government's forecasts for fiscal 2007. Working-level officials of the Cabinet Office proposed that setting an outlook for real growth over 1% was appropriate, but Ota undertook coordination of views making some concessions with METI, which insisted on real growth of over 2%.

The government's outlook for fiscal 2007, which Ota presented at a meeting of the Council on Economic and Fiscal Policy on Dec. 20 last year, carried forecasts for a real growth rate of 2.0% and a nominal growth rate of 2.2%.

The average forecast for real growth for fiscal 2007 of 35 private research organs tallied by the Economic Planning Association is 1.92%. The government's outlook is higher by 0.08 point. The government's outlook will likely waver back and forth, caught between the pursuit of accuracy and its role as setting a policy target.

SCHIEFFER